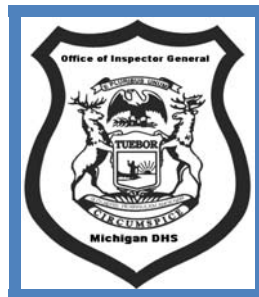


# ***2011 ANNUAL REPORT***



## **State of Michigan Office of Inspector General**



**Rick Snyder, Governor**  
**Maura D. Corrigan, Director of Human Services**  
**Alan Kimichik, Inspector General Director**

## **OFFICE OF INSPECTOR GENERAL**

The Office of Inspector General (OIG), created in 1972, is a criminal justice agency in the Department of Human Services (DHS). The primary duty of the OIG is to investigate cases of suspected fraud within DHS. OIG is statutorily required under MCL 400.43b to perform the following activities:

- Investigate fraud, waste, and abuse in the programs administered by the DHS.
- Make referrals for prosecution and disposition of appropriate cases as determined by OIG.
- Review administrative policies, practices, and procedures.
- Make recommendations to improve program integrity and accountability.

### **OIG MISSION STATEMENT**

The mission of the OIG is to assist DHS in maintaining integrity and accountability in the administration of its programs. The OIG provides investigation and advisory services to ensure appropriate and efficient use of available public resources.

## **VALUES OF THE OFFICE OF INSPECTOR GENERAL**

- Excellence in the performance of OIG duties
- Highest possible standards of professional conduct
- Innovation from all levels of the organization
- Support for the accuracy and integrity of all DHS programs

OIG will be held accountable by the people of the State of Michigan for maintaining the highest standards of integrity and good moral character. As members of the OIG, we work together as a team to plan and strive for excellence, realizing the daily decisions that are made will reflect on the future of our organization as a whole.

## **KEY PRINCIPLES**

The key principles of the OIG are Responsibility, Excellence, Integrity and Communication.

- Responsibility - OIG General Employees shall dedicate themselves to treat all people with respect, fairness and compassion.
- Excellence - Know the laws, rules and policies that will aid you in performing your duties and serving the public.
- Integrity - Recognize that the cooperation of all criminal justice and public agencies is essential for effective, efficient and responsive investigations and enforcement.
- Communication - Recognize the accomplishments of those who make significant contributions toward our mission, values, goals and objectives.



## EXECUTIVE SUMMARY

### **Recipient Fraud Investigations and Fraud Detection**

#### **In 2011, OIG Agents:**

- Completed 6,832 FEE investigations in FY 2011 and identified \$30.32 million in cost avoidance.
- Obtained \$695 of program cost savings per FEE investigation hour.
- Increased 28 staff to FEE, resulting in OIG cost savings of over \$30 million.
- 3 year program savings in FEE of \$51.6 million.
- Identified \$200 of fraud per investigative hour.
- Established fraud receivables of \$164 for every investigative hour completed.
- Completed 4,817 recipient fraud investigations.
- Identified fraud of \$13.1 million.

### **Special Investigations Unit (SIU)**

#### **In 2011, the OIG SIU:**

- Completed 195 investigations.
- Identified \$3.9 million of fraud.
- Identified \$364 of fraud per investigative hour.

This was a substantial increase (77%) from FY10 when \$2.2 million of fraud was identified.

### **Food Assistance Program (FAP) Bridge Card Trafficking**

#### **In 2011, FAP Trafficking Agents:**

- Completed 398 trafficking investigations.
- Identified \$606,000 in fraud from trafficking.
- Established \$693,000 in cost savings from program disqualifications.

### **Office of Monitoring and Internal Controls (OMIC)**

- Addressed a total of 268 individual audit findings and corrective actions.
- Developed corrective action plans for 129 new findings.
- Validated that DHS correctly spent federal dollars and the Department should not have to return \$4,578,612 of questioned costs by federal funding sources.

### **Cost Effectiveness and Productivity**

- Every dollar spent in FEE, resulted in \$16 of cost avoidance.
- The average fraud found per investigative hour for the past three years is \$223.

## OIG OPERATIONAL OVERVIEW

*OIG is involved in many areas of the Department that affect program integrity. Included are the following operational activities:*

**Front End Eligibility (FEE)** – DHS eligibility staff may request a pre-eligibility investigation by an OIG agent when applications or re-certifications for public assistance contain suspicious or error prone information. FEE agents investigate, substantiate or refute discrepancies and suspicious activities; the results may involve an assistance case not being opened, reduced benefits issued and/or case closure.

**Food Assistance (Bridge Card) Trafficking** – Food assistance trafficking is the buying and selling of food assistance for cash or items not authorized under the Food Stamp Act of 1977. Some retailers violate the Food Assistance Program by accepting food assistance for cash at less than par value or unauthorized items such as tobacco, alcohol, etc.

**Fraud Hotline** - Fraud referrals that come through the toll free fraud number or web site go to a designated fraud coordinator in each local office via email. The coordinator will send the referral to the appropriate worker and manager for their investigation. Office of Inspector General (OIG) is notified directly in conjunction with the local office if they meet certain priority criteria.

**LEIN** – Law Enforcement Information Network – OIG, through the Terminal Agency Coordinator (TAC) is responsible for the integrity and security of the sensitive and confidential information contained in the LEIN database. OIG provides extensive training for LEIN Statewide Operators, maintains the LEIN policy and procedure manuals for LEIN use by DHS, and investigates LEIN violations.

**Office of Monitoring and Internal Controls (OMIC)** - Performs all DHS audit liaison functions; reviews contracted agency's audit reports and administers the DHS audit appeals process. OMIC ensures that resources are utilized as efficiently and effectively as possible to provide DHS management with quality information on the adequacy of internal controls and compliance with rules and regulations in its many offices and throughout its programs.

**Policy Recommendations** – OIG provides a leadership role in recommendations for policy changes to enhance prevention and detection of fraud by the continuous review of Department policy.

**Provider Fraud**- Intentional false billings or intentional inaccurate statements by a provider such as a Child Day Care, Foster Care, Adult Home Help, Adoption Subsidy, Contractors or other Related Businesses.

**Recipient Fraud** – An Intentional Program Violation (IPV) by a person on public assistance. IPV occurs when there is intentional deception or misrepresentation with the knowledge that the deception could result in some unauthorized benefit to himself or some other person.

**Special Investigations Unit (SIU)** - Investigates the most complex complaints involving DHS employees, multiple suspects, multiple jurisdictional venues and program financial and service contracts. SIU works with local DHS staff and law enforcement officials in developing and advocating ways and means to deter or detect fraud.

**Claims Establishment** - Make recommendations directly to DHS concerning all aspects of the claims establishment process. Responsibilities include program content development, policy, procedures, program monitoring, and measurement of outcomes and program advocacy.

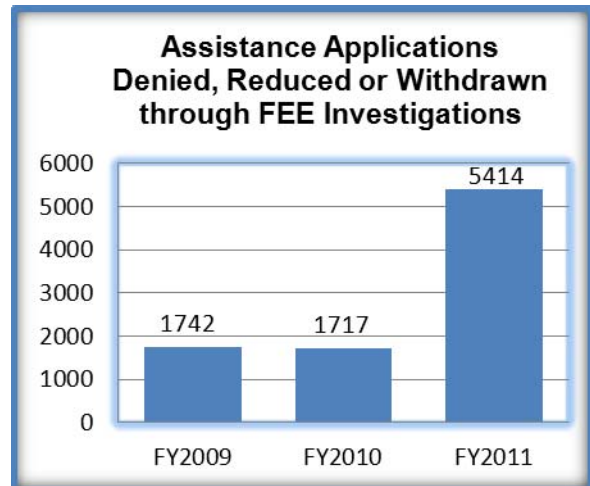
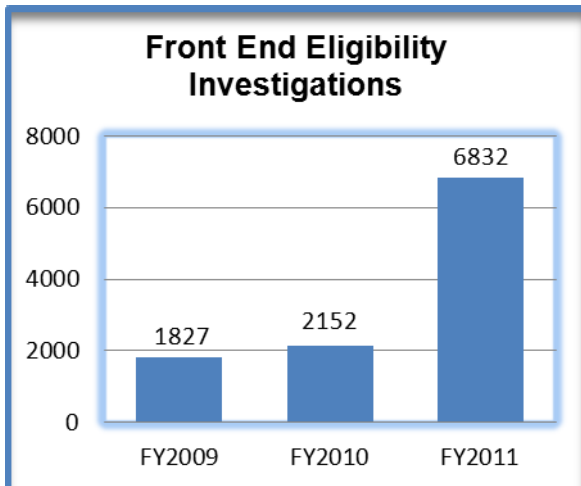
**Electronic Benefit Transfer (EBT)** – Food stamp and cash assistance benefits are electronically transferred to an account accessible by the customer's debit card called the Michigan Bridge card. Transactions are analyzed by EBT activities for fraud to include out of state purchases for more than 30 days, non-recipients using Bridge cards, and patterns of FAP Trafficking.

# **TABLE OF CONTENTS**

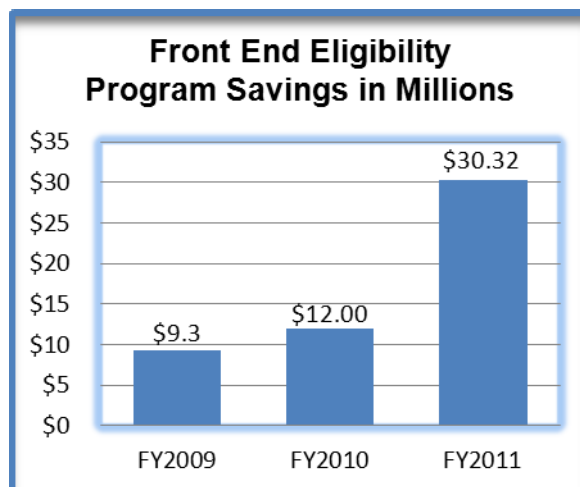
	<u>PAGE</u>
FRONT END ELIGIBILITY (FEE) .....	5
FRAUD INVESTIGATIONS .....	7
SPECIAL INVESTIGATIONS UNIT .....	8
FOOD ASSISTANCE TRAFFICKING (Bridge Card).....	9
RECEIVABLES ESTABLISHED.....	11
FOOD ASSISTANCE PROGRAM (FAP).....	11
OFFICE OF MONITORING AND INTERNAL CONTROLS.....	12

## **FRONT END ELIGIBILITY (FEE) – Fraud Detection and Prevention**

The OIG conducts investigations when clients are suspected of misrepresenting their eligibility for public assistance. Front End Eligibility investigations (FEE) targets cases where the DHS field staff have requested an investigation by an OIG agent when eligibility applications or re-certifications for public assistance contain suspicious or error-prone information. In focusing on fraud prevention through FEE in Michigan, it continues to ensure public assistance program integrity and increase savings for the taxpayers.



Working toward fraud prevention, OIG FEE agents conducted 6,832 investigations in FY 2011 and identified over \$30 million in cost savings as a result of 43,654 investigative hours, or \$695 per FEE investigation hour. Investigations by OIG agents have resulted in over \$51.6 million in program savings over the three-year period.



## **FRONT END ELIGIBILITY (FEE)**

### **Examples of FEE investigation results:**

#### **Unreported Income**

A public assistance client reported she was unemployed and her husband was employed at a local market. The DHS caseworker had concerns about the client-supplied information and forwarded to OIG for investigation. OIG discovered the client and spouse actually owned the market, which grossed \$842,406.00 in 2009 and \$790,332.00 in 2010. The client had previously reported her spouse earned less than \$10,000 annually. Assistance benefits were denied with a total cost savings of: \$87,779.82, in the Food and Medical Assistance Programs.

#### **Unreported Income**

A public assistance client was investigated for not reporting her husband's income from his employment. OIG discovered the spouse was an illegal alien using a false name and social security number. The client confessed to welfare fraud, which resulted in cost savings of \$3,388 per month.

#### **Group Composition**

A public assistance client reported that she and her husband had been separated for two years and she did not know where he was living. The OIG investigation uncovered the client had been living with her husband continuously since 2007. The client admitted that her husband was living with her and was employed full time. DHS secured an immediate public assistance savings in the amount of \$1,245.00. This case is being pursued as a criminal welfare fraud investigation with an alleged overpayment of \$11,000.00.

#### **Living Out of State**

Client reported to DHS that she was living in Michigan with her four children. OIG investigation determined that client was actually living with her new husband and one child out of state. OIG also found that two children lived with their father and stepmother and had lived with them their entire lives. The investigation resulted in a one-time monthly cost savings of \$2,560. The full investigation revealed an additional \$8,693 was overpaid. This case will be referred to the county prosecutor's office for criminal prosecution.

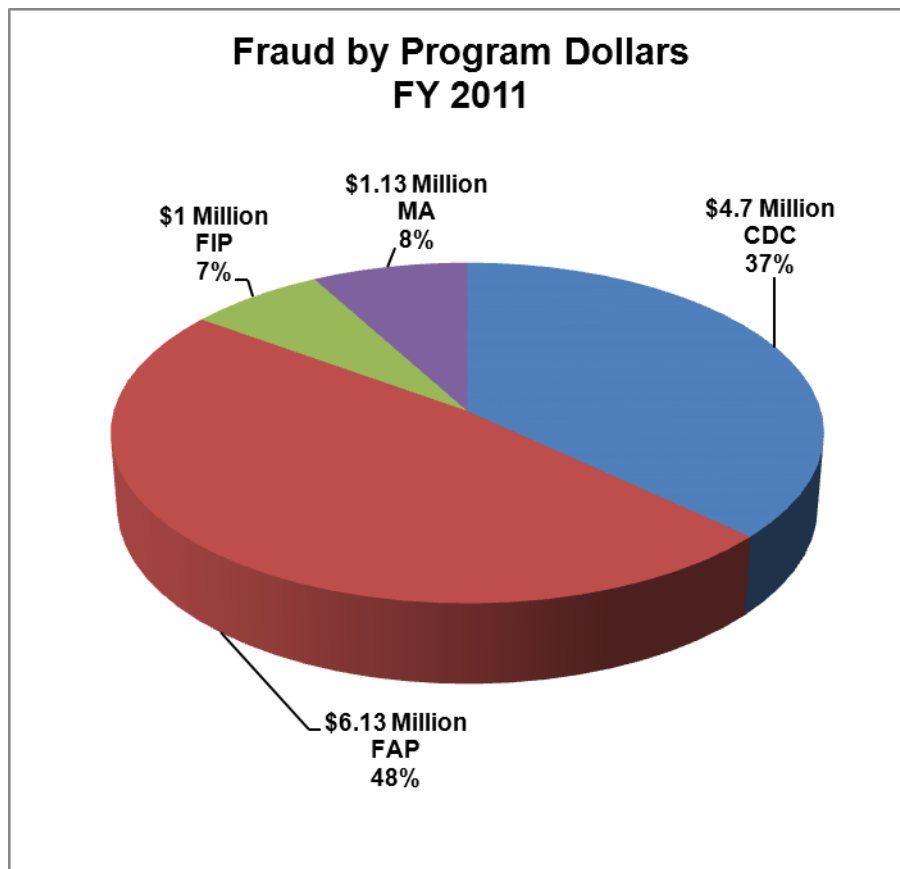
#### **Group Composition**

The client reported to DHS she and her spouse were separated and he lived and worked in another area of the state. OIG investigation found the spouse was actually employed as a police officer; client and spouse filed joint tax returns and shared bank accounts. Additionally, they had purchased a new \$250,000 home together with a down payment of \$5,000. The total alleged overpayment was \$51,838. The case is in criminal prosecution pending court disposition.

## **FRAUD INVESTIGATIONS**

The Office of Inspector General (OIG) identified \$16.67 million in fraud during Fiscal Year (FY) 2011 within multiple Michigan public assistance program areas. During FY 2011, 873 warrants were authorized by the county prosecutors. Investigations by OIG agents have uncovered over \$53.8 million in fraud during the three-year period.

Fraud in the Food Assistance Program (FAP), also known as Food Stamps, accounted for 48 percent of Michigan's public assistance fraud during FY 2011. Over \$6.13 million of FAP fraud was identified by OIG in FY 2011.



**CDC = Child Development and Care Program  
FAP = Food Assistance Program  
FIP = Family Independence Program  
MA = Medicaid Assistance Program**



## **SPECIAL INVESTIGATIONS UNIT (SIU)**

SIU is responsible for conducting complex investigations involving Michigan Department of Human Services programs, providers, and personnel. In FY 2011, the SIU completed 195 investigations resulting in \$3.9 million dollars of welfare fraud. In addition to cash and food assistance, the SIU investigated assistance programs involving Weatherization, Adoption Subsidy, Child Care Centers, and Home Help.

### ***Examples of SIU investigation results:***

#### **Adoption Subsidy Program (ASP)**

A therapist was billing the State of Michigan Adoption Subsidy Program (ASP) for therapy sessions for families of adopted children that never took place. The therapist pled guilty to two felony tax charges, and was sentenced to a five year probation period and ordered to repay \$20,000 to the State of Michigan due to falsified billings. The therapist was also forwarded to the Michigan Treasury for failure to file tax returns after receiving over \$793,870.00 from the Adoption Subsidy program.

The Adoption Subsidy Unit requested an investigation regarding an adoptive parent that had passed away in 2007. Billing records indicated that adoption subsidy payments continued through June 2010. The investigation identified two suspects, one being the decedent's son. The two individuals were unlawfully cashing checks in the deceased's name totaling \$21,107.86. The case is currently pending criminal action with the county prosecutor's office.

#### **Employee Investigations**

A Department of Human Services (DHS) employee used the State of Michigan procurement card for several personal purchases including car payments, groceries and gas. The subject was criminally charged and pled guilty to Embezzlement. The employee was terminated from State of Michigan employment, sentenced to 36 months of probation, and ordered to pay back \$1,704.57.

A DHS Manager purchased items with State funds and resold them and kept the profits. The employee was criminally charged and resigned from State employment. After pleading guilty to one count of Racketeering and three counts of Embezzlement by Public Official, the Manager was sentenced to 12 months incarceration and ordered restitution in the amount of \$34,047.88.

#### **Child Care Center Fraud**

A child day care center owner overbilled the State of Michigan for children not in attendance at the child care center. This resulted in excess of \$280,000 in Child Day Care (CDC) over payments during a two year time period. The case was forwarded to the county prosecutor's office for review. By order of the county prosecutor's office, the owner of the day care center agreed to full restitution for the incorrect billings.

## **FOOD ASSISTANCE (Bridge Card) TRAFFICKING**

The Office of Inspector General investigates instances where public assistance recipients and store owners are trafficking Food Assistance Program (FAP) benefits electronically through the Michigan Bridge Card. The U.S. Department of Agriculture-OIG (USDA-OIG) and the Michigan State Police (MSP) are our partners in trafficking investigations. Trafficking involves the buying or selling of FAP benefits for cash or consideration other than eligible food.

Michigan public assistance clients who commit FAP trafficking are disqualified from the program for a period of 12 months for the first offense, 24 months for the second offense, and permanently for the third offense.

### **Examples of FAP (Bridge Card) investigation results:**

#### **Bridge Card Benefits Sold**

A convenience store completed \$30,000 in FAP redemptions monthly, which far exceeded the average for this type of store. The Grand Jury indicted the store owners and several clerks for trafficking in food assistance benefits, drug and gun sales. The investigation resulted in 17 felony warrants being issued for recipients who sold their Bridge Card/FAP benefits. In addition to selling their Bridge Cards and food assistance, the recipients also used their benefits to purchase nonfood items and drugs from this store. OIG was able to recover in excess of \$17,000 in trafficked benefits.

#### **Unauthorized Use of Food Benefits**

In early March 2011, the Office of Inspector General received a citizen complaint. A receipt had been found in the parking lot of a food market; the purchase consisted of six lobster tails, two porterhouse steaks and five 24 packs of Mountain Dew. A male subject was identified and confessed to trafficking his girlfriend's food assistance on four separate occasions. A felony warrant was issued and the subject was arrested. The subject pled guilty and was sentenced to 45 days in jail, full restitution and a life time disqualification from the Food Assistance Program. The positive publicity received as a result of this investigation sent a clear message that trafficking food assistance benefits in Michigan are investigated and penalties will be imposed.

#### **Store Owner Arrested**

A joint investigation of a retailer who was suspected of trafficking food assistance benefits was conducted with local law enforcement. Through store redemption data and customer purchasing trends, OIG was able to determine the average transaction per sale was far above similar stores in the area. OIG agents conducted surveillance and undercover sales of Bridge Card benefits and verified trafficking was taking place. The store owner was arrested as a direct result of the OIG investigation. Eleven individuals confessed to trafficking food benefits at this store, which resulted in the recovery of \$11,000 in trafficked food assistance benefits and the forfeiture of 6 weapons, ranging from a 50 caliber rifle to a 20 gauge shotgun, due to criminal enterprise.

### **Examples of FAP (Bridge Card) investigation results:**

#### **Food Assistance Trafficking and Social Media**

Food Assistance (Food Stamp) Trafficking has graduated to the tech savvy element in the 21<sup>st</sup> Century. Individuals now use social media sites to violate the spirit and integrity of public assistance in Michigan. The Office of Inspector General is adapting new technologies to combat this revolutionary new threat to program integrity through data mining and analysis.

#### **Craigslist - Solicitation of Bridge Card**

A Craigslist posting in June 2011, has a subject soliciting the purchase of a "food card," \$.50 cents on the \$1.00. OIG agents made contact with the subject by phone and set up a time to meet at a nearby grocery store. The subject was sent a text message letting him know of the seller's (an undercover agent) arrival. The undercover agent offered to trade the Bridge Card for cash at that time. The subject replied that he would send a text message once he was done shopping and requested that the undercover agent meet him in line inside the store. The subject purchased \$383.66 in groceries with the undercover agent's Bridge card. Upon exit from the store, the subject gave the agent \$183 in cash for the transaction. The subject said to keep his phone number and he would gladly do another purchase once the card was reloaded. The subject was arrested and taken into custody. During the interrogation, the subject stated that he was from Arizona and does this all the time. The subject admitted that he purchased food assistance benefits for his own use for fifty cents on the dollar. The case was referred to the county prosecutor for criminal charges.

#### **Craigslist - Exchange of Food Benefits for Gaming Device**

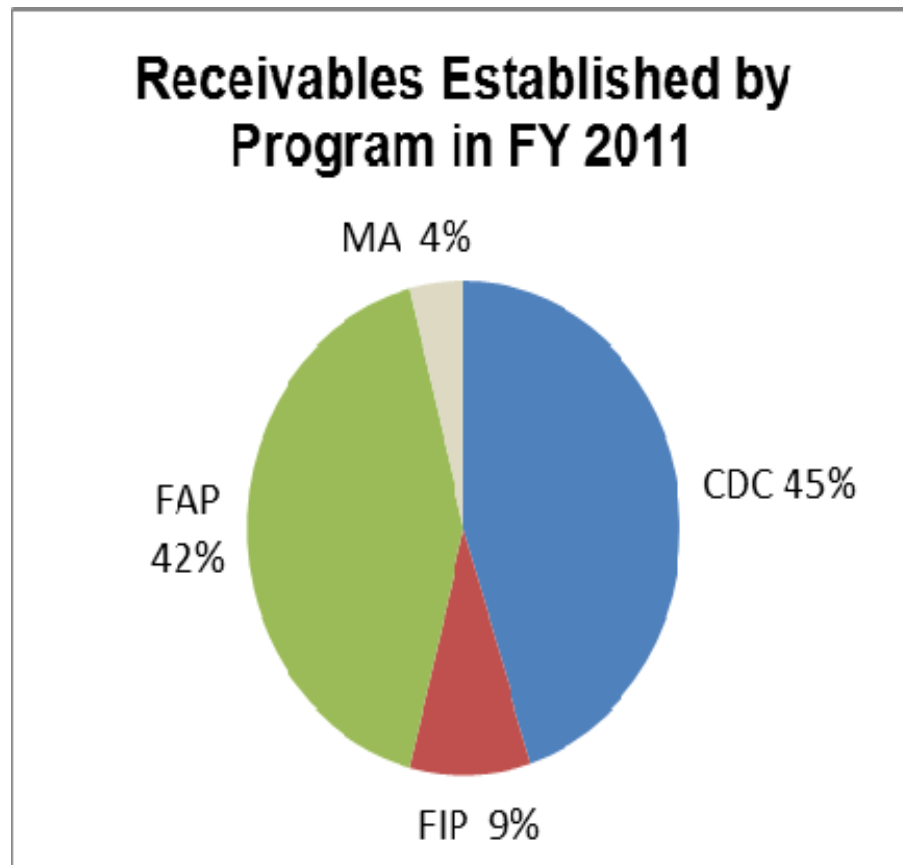
Through a match of commonly associated trafficking vocabulary, OIG became aware of a woman willing to trade \$150 in food assistance benefits for a Sony PSP® gaming device. Agents were able to match the posting to a Michigan public assistance client through data comparison. The agents posed as potential sellers of a gaming device. During the exchange, a confession was obtained and the subject's case was referred to the county prosecutor for criminal charges.

#### **Facebook - Unreported Income**

By matching Facebook accounts associated with a college student review initiative, OIG was able to identify a college student who had failed to report all of his income sources. The student posted on a Facebook group page that he operated a store on eBay™. The subject's posting made it appear he was making substantial money from online sales. The subject was interviewed where he admitted that he had monthly sales from the store and he did not report it. The subject went on to say that he had just sold \$15,000 in antique glass. The investigation was forwarded to the county prosecutor's office for criminal charges.

## **FRAUD RECEIVABLES ESTABLISHED**

There were \$11.4 million of fraud receivables established for FY 2011. The CDC program accounted for 45 percent of all receivables established in FY 2011.



## **FOOD ASSISTANCE PROGRAM (FAP)**

In FY 2011, OIG investigated 3,769 fraud cases in the FAP Program. During the past three years, OIG has investigated 9,226 fraud cases in the FAP Program. The fraud found in FY 2011 was \$6.13 million for a three year total of 17.5 million.

### **Public Assistance Reporting Information System (PARIS)**

The PARIS interstate match has provided OIG with the necessary information and indicators to improve the residency verification process for Michigan's public assistance recipients. Previously, Michigan only removed ineligible nonresident recipients where a change in residence was reported. OIG now contacts those recipients identified in the PARIS Quarterly match as receiving public assistance benefits in another state. The utilization of the PARIS interstate match has been instrumental in lowering public assistance program expenditures by removing the ineligible nonresident recipients.

### **Food Assistance Benefits Cashed Outside Michigan**

To support Food Assistance Program (FAP) integrity and reduce the strain on Michigan's resources, OIG utilizes data matching to identify food assistance recipients that are cashing FAP benefits out of the state on a regular basis. As a result, 500 households were identified for review. Of these, 370 (74%) of the households' cases were closed after OIG identified a questionable Michigan residence based upon out of state FAP transactions over an extended period of time. The resulting closures saved DHS over \$500,000.00, in FAP benefits over a six-month period.

#### **Example of Benefits Cashed Outside of Michigan Result:**

A food assistance client put two daughters on his case that had never lived with him. They were both living outside of Michigan. It was also discovered that he had moved to California the summer of 2010, and then continued to use Michigan benefits in California. The over-issuance in benefits was determined to be: \$15,666.00, in the Food and Medical Assistance Programs. A warrant has been issued and the Prosecutor's Office is actively pursuing the subject be arrested and extradited back to Michigan.

## **Office of Monitoring and Internal Controls - 2011 Annual Activity Report**

### **Biennial Internal Control Evaluation**

State law (MCL Section 18.1485) requires DHS to establish and maintain an internal control system, evaluate this system biennially, and issue a report to the Governor on the results of the evaluation. The report includes material weaknesses discovered during the evaluation and detailed plans to correct the weaknesses.

#### **During FY 2011, OMIC:**

- Facilitated the completion of 100 risk assessments for 57 information technology applications and 43 program/activity areas.
- Facilitated the completion of 190 internal control evaluations of DHS programs, information technology applications, accounting functions, and overall control environment.
- Identified five material weaknesses and prepared corrective action plans to address those weaknesses.
- Completed a survey and analyzed the results from DHS staff on their views of DHS internal controls, receiving 1,605 responses and 409 specific comments.
- Provided training to DHS staff on internal controls and control concepts.
- Developed PowerPoint instructions for the risk assessment and the internal control evaluation worksheets. The instructions gave the preparer step-by-step instructions and examples resulting in a better end product.

### **Office of Management and Budget Circular A-133 Compliance**

Federal law (OMB Circular A-133) mandates that DHS monitor the activity of entities that receive federal funding from the Department. This law requires DHS to obtain and review audit reports for sub-recipients. If the reports cite material findings related to federal funds received from DHS, DHS must review the sub-recipient's corrective action, determine if it sufficiently addresses the finding, and determine if sanctions should be placed upon the entity. Failure to complete this requirement will result in a loss of federal funding.

#### **During FY 2011, OMIC:**

- Reviewed 234 Single Audit Reports.
- Coordinated 20 Management Decisions totaling \$565,444.00.
- Notified 68 sub-recipients of deficiencies with their Single Audit reports.

### **Contractor Compliance Monitoring**

DHS is responsible for ensuring that funds paid to contractors are for authorized purposes and that performance goals are achieved. During 2011, OMIC provided oversight of the Department's contract compliance monitoring policy (CPM 304).

#### **During FY 2011, OMIC:**

- Evaluated and assigned 2,400 Department contracts to 13 DHS administrations for monitoring review and oversight.
- Evaluated and assigned all 30 interagency agreements to 13 DHS administrations for monitoring review and oversight.
- Coordinated, assisted, and reviewed the development of 26 contract risk assessments that evaluated over 740 contracts.
- Coordinated, assisted, and reviewed the development of 24 DHS monitoring plans that describe the monitoring activities for 13 DHS administrations impacting over 700 contracts.
- Coordinated and reviewed quarterly monitoring reports identifying monitoring results from 13 DHS administrations.
- Provided six training seminars attended by over 300 Department monitors and managers.
- Developed over 40 monitoring aids, guidance documents, and slide show presentations to enhance DHS monitor training and development.
- Provided over 40 direct consultation meetings to 13 DHS administrations to enhance monitoring practices.

### **External Audit Coordination**

Federal laws, state laws, contract provisions, and internal policies and procedures grant various auditors a wide range of oversight and review authority. Audits of DHS may be performed by the Office of the Auditor General, the Office of Internal Audit Services, the Federal Government, another state department, or other agency that has been granted authority to audit DHS records and/or operations. These audits require a great deal of coordination and facilitation to ensure that the Department is properly evaluated and that any audit findings are true and accurate. The Office of Monitoring and Internal Controls serves as the audit liaison for the Department.

**During FY 2011, OMIC:**

- Facilitated a total of 125 audits performed by eight agencies. This includes audits that were new or ongoing during the year.
- Developed a flow chart of the performance audit process to accompany the Department audit guide which describes the roles, responsibilities, and processes for audits of DHS.

**Corrective Action Development, Evaluation, and Implementation**

As stated above, DHS is subject to a wide variety of external evaluations in the way of audits. These audits result in a large number of findings that the Department is required to respond to and, if appropriate, develop a corrective plan that addresses the cited weakness. The Office of Monitoring and Internal Controls is responsible for facilitating and developing these corrective actions and then subsequently tracking the progress of the corrective actions to ensure proper implementation.

**During FY 2011, OMIC:**

- Addressed a total of 268 individual audit findings and corrective actions.
- Developed corrective action plans for 129 new findings.
- Tracked 139 corrective actions from audits completed in previous years.
- Developed the Audit Corrective Action Implementation Report Card so management can easily see the number of findings where corrective action is being implemented and status of implementation.
- Developed the Audit Tracking System Guide for management so they can easily view audit findings and corrective action plans.
- Was successful in validating to federal funding sources that DHS correctly spent federal dollars questioned by auditors, resulting in \$4,578,612.00, in cost avoidance.

**Review of Local Accounting System Replacement (LASR)**

The Local Accounting System Replacement (LASR) is an accounting system used by DHS local offices to record financial transactions. An external audit issued in 2011 identified transactions that potentially violated acceptable State of Michigan (SOM) purchasing practices including DHS employee reimbursements, computer purchases, iPods, and gift/gas cards.

As a result of the audit, Office of Monitoring and Internal Controls (OMIC) conducted a comprehensive review of LASR transactions to identify those that warranted further investigation. The primary focus of the analysis performed was to identify payments made to DHS employees and for the purchase of gift and gas cards by the local offices. The data analysis resulted in the identification of multiple questionable transactions. In conjunction with the Office of Inspector General, four investigations were conducted on DHS employees resulting in two warrants being issued for embezzlement.

Additionally, policy changes resulted in a vast improvement on the internal controls over the LASR system reducing the likelihood of these issues being repeated in the future.

**Summary of OMIC Review:**

- LASR transactions analyzed
  - 180,489 transactions totaling \$43,033,682.49 processed between (10/1/09 and 7/31/11).
- Identified and analyzed LASR payments made to DHS employees
  - 3,378 transactions totaling \$702,325.68 processed between (5/1/08 and 4/30/10).
  - 2,839 transaction totaling \$618,515.28 processed between (10/1/09 and 7/31/11).
    - Identified and extracted from total population of LASR transactions (180,489).
- Expenditures reviewed and/or investigated
  - Gift and gas cards purchased at four county offices
    - Saginaw County
    - Ottawa County
    - Kent County
    - Oakland County
  - Payments made to DHS employees at four county offices
    - Livingston/Shiawassee
    - Genesee County
    - Delta County
    - Medical Transportation payments made payable to a company with an address that matched a DHS's employees (Wayne County).